## Rep. Ed Murray • 43rd District



Governor Locke hands Rep. Murray the pen he used to sign the Safe Schools Bill (HB 1444) the as educators, students and colleagues look on.

### **Safe Schools**

Last March, when the Governor signed the Safe Schools Bill (SHB 1444) I knew that our children will now get the support and assistance they deserve. Finally, after five long years and many grueling legislative battles, we have taken concrete steps to help prevent student harassment, intimidation or bullying in our schools. This is a victory for all students in Washington State.

## **Keeping in Touch**

### Toll-free hotline:

1-800-562-6000

### **District office:**

324 15th Ave. E., Ste. 103 Seattle, WA 98112 206-720-3074

#### E-mail:

murray\_ed@leg.wa.gov

### **State web page:**

http://access.wa.gov

### **Home page:**

http://www.leg.wa.gov/ house/members/d43 1.htm

## TDD for hearing impaired:

1-800-635-9993

### Olympia office:

243 John L. O'Brien Bldg. Olympia, WA 98504-0600 360-786-7826

#### **Committees:**

Capital Budget (Chair) Transportation

### **Legislative Assistant:**

Mark Rupp

**Note:** to better serve you, please include your full address in all e-mail correspondence with my office.

PRESORTED STANDARD U.S. POSTAGE PAIL Washington State

Ed Murray 43rd District PO Box 40600 Olympia, WA 98504-0600





### Representative

## **Ed Murray**

### **43rd District**

## **2002 Session Report**

May 2002

### Dear Neighbor:

As you are aware, the 2002 legislative session recently adjourned at midnight on March 14. It was an historic session for a number of reasons, beyond the fact that the session ended in its allotted 60 days (the first time since 1998). The big, spotlight issues of the session were, of course, filling the gaping \$1.5 billion hole in the state's operating budget and transportation.

While the primary focus of this newsletter is on the major budget issues of the session, I would like to take just a moment to highlight a number of successes that occurred this session that many may not have followed as closely and there were many. In addition to passing the Safe Schools Bill that I have sponsored for five consecutive years, requiring every school district to adopt a policy prohibiting harassment, intimidation or bullying, the legislature also passed bills that will:

- Allow non-violent drug offenders to enter treatment programs rather than jails and prisons:
- Provide unemployment insurance benefits for people who are victims of domestic violence and must leave her/his job for safety reasons:
- Mandate that insurance companies may no longer cancel or refuse to renew an insurance policy due to a person's credit history;
- Allow faculty at four-year colleges and universities and teaching assistants at the University of Washington to collectively bargain with their employers over wages, hours, and terms of employment;
- Protect parents from prosecution if they leave a newborn baby at a hospital, fire station, or other safe place where the child is more likely to survive; and
- Direct the Office of Financial Management, in cooperation with the Secretary of State's office, to provide a fiscal-impact statement for citizen initiatives to be included in the voter's pamphlet.

Particular bills that, fortunately, did *not* pass the legislature this year were the series of "anti-terrorist" bills lobbed between the House and the Senate throughout the session. In my mind, the bills were an unnecessary expansion of criminal laws already in Washington's code and could have invited a gross infringement on personal freedoms, liberties, and privacies. While the heinous events of September 11 will forever be etched on all of our memories, I do not want us, as a nation founded on the most basic, fundamental principles of individual liberty and freedom, to get caught up in numbly acquiescing to overbearing laws borne out of knee-jerk reactions to that tragedy.

I appreciate your taking the time to read through this newsletter. If you have any questions or comments regarding anything in it - or anything that does not appear in it - please do not hesitate contacting me, as I welcome and value your insights.

Sincerely,

Ed Murray

## Rep. Ed Murray • 43rd District

## **2002 Session Report**



# **Operating budget**

Back in January, at the start of the 2002 legislative session, we knew we had to re-balance a budget that had been rocked by recession, the September 11th attacks, and several recent voter initiatives that collectively created a \$1.2 billion deficit. Halfway through the session, after the February revenue forecast, that deficit had become a \$1.5 billion deficit.

The Legislature's challenge, and constitutional mandate, was to balance the budget. In addition, my personal challenge was to heed that legal obligation, while still meeting the moral obligation to protect the most vulnerable members of society.

We did this by stressing efficiencies and making nearly \$700 million in cuts using \$450 million in tobacco settlement bond financing, \$25 million from the Big Game Lottery, \$27 by eliminating some tax exemptions and \$46 million in increased tax collection enforcement. We also used \$325 million from the Emergency Reserve Fund.

The \$700 million reductions in programs and services will undoubtedly have a profound impact on many of our state's programs such as vocational education, adult dental, and mental health programs.

While programs for the developmentally disabled, programs for people living with HIV/AIDS, and programs to help unemployed individuals were spared this year, they will be increasingly vulnerable in coming years. Balancing our budget – without identifying new revenue sources – is becoming more and more difficult (see box above).

My goal has always been to ensure that these much needed programs - and others - retain as much funding as possible so that social service programs designed to help our state's most vulnerable are preserved to the greatest extent possible.

### The Need for a State Income Tax

Our current taxing regime - based primarily on sales, business and occupation (B & O), and property taxes - is highly regressive. The state's sales tax falls hardest on those with lower incomes; and property taxes – theoretically more progressive – will now be limited to increases of just one percent due to Initiative 747. As such, none of these taxes - even in conjunction with other, smaller taxes such as the real estate excise tax or utility tax - provide sustainable streams of revenue for Washington State.

The bottom line is that Washington needs a reliable source of revenue, one that is progressive in nature. One common sense, long-term solution is a state income tax. It would not only be fair, but it would also provide a sustainable source of revenue for the state, helping us pay for social services, health care, education and other programs that we consider a top priority.

The challenge of restructuring Washington's tax system will be educating two-thirds of the legislature and a majority of Washington voters of the necessity for such an overhaul, as instituting a state income tax will most certainly require a constitutional amendment. I am hopeful that a study currently underway and known as the Washington State Tax Structure Study (called for in the 2001 biennial budget) has begun – and will continue – that educational process. The study will be released this November.

Here are some key programs and how they fared:	Original 2003 Funding Level	Governor's Proposed 2003 Funding Level	Final 2003 Funding Level
<ul> <li>HEALTH CARE</li> <li>Eliminate Interpreter Services</li> <li>Wholesale Pharmacy Costs</li> <li>AIDSNETS Funding Reduction</li> <li>Neurodevelopmental Center Funding</li> <li>Children's Health Insurance         <ul> <li>Program (CHIP)</li> </ul> </li> <li>Emergency Room Care for the         <ul> <li>Uninsured (Medically Indigent)</li> </ul> </li> </ul>	\$10 Million \$360.8 Million \$8.1 Million \$950,000 \$26 Million \$33 Million	0 \$289.7 Million \$7.1 Million 0 \$23.2 Million \$11 Million	\$8.2 Million \$336.4 Million \$8.1 Million \$950,000 \$26 Million
LONG-TERM CARE  • Nursing Home Rate Reductions	\$508.7 Million	\$439.5 Million	\$508.7 Million
EDUCATION  K-12  • Better Schools Program  • Teacher Training Days (Reduced from 3 to 1)  Higher Education  • Promise Scholarships	\$38.6 Million \$36.3 Million \$8.7 Million	\$38.6 Million \$36.3 Million \$8.7 Million	\$14 Million \$24.2 Million \$6.3 Million
• Arts Commission • State Film Office	\$3.5 Million \$608,000	\$3.1 Million \$234,000	\$3.4 Million \$608,000
<ul> <li>OTHER</li> <li>Women, Infants and Children (WIC)         <ul> <li>Farmer's Market Program</li> </ul> </li> <li>New Worker Re-training efforts</li> <li>Treatment Accountability for Safe         <ul> <li>Communities (Reduces drug abuse and criminal activity, connects criminal justice and chemical</li> </ul> </li> </ul>	\$871,000 0	0 \$6.6 Million	\$871,000 \$6.6 Million
dependency treatment systems)	\$3.5 Million	0	\$2.4 Million

## **Capital Budget**

Last year the Legislature approved an \$878 million bond-financed capital budget for the 2001-2003 biennium.

This year's significant revenue reductions not only forced us to make cuts in the operating budget, but also reduced the bonding capacity of the capital budget – the budget that funds school construction, community and technical colleges, universities, parks, etc.

The state bonding capacity – the amount we can borrow - is limited by law to 7% of revenues. The reduction in revenues essentially reduced the amount of money we could spend on construction projects by \$175 million.

In addition to addressing this shortfall, we also wanted to pass an economic stimulus plan to help generate jobs and invest in our communities. All of the projects included in this plan are ready to go this year – helping

create good jobs in tough economic times.

I am proud to say that on the last day of the legislative session, we did exactly that. We filled the \$175 million hole and passed a stimulus package worth \$143 million.

In doing so, we restored funding for four-year colleges and universities, included money for community and technical colleges and money for state parks. Here in Seattle, the University of Washington will get \$5 million toward several projects – of their choosing – and Seattle Central Community College will get \$235,000 for roof repairs and other maintenance. We were also able to preserve the money that had been previously earmarked for the Housing Trust Fund.

## **Transportation**

The Legislature passed two transportation plans — one a statewide proposal, the other a regional plan — which, if approved by a majority of Washington voters, could provide up to \$16.4 billion to improve our transportation infrastructure.

This plan isn't just about building new highways and maintaining the infrastructure we already have. It also funds buses, freight mobility, and transit and rail projects. The statewide transportation plan, which will be on the ballot in November (see sidebar), will raise \$6.1 billion for road safety improvements and congestion relief, \$1.2 billion for buses, freight mobility and commuter rail, and \$330 million for local projects.

Under the regional plan, King, Pierce and Snohomish County council members would work together to design a regional transportation plan funded by local revenues. When it is ready, voters will have their say on the regional plan as well.

The statewide plan includes more than \$450 for the Alaskan Way Viaduct, and \$100 million to look at the feasibility of adding capacity to SR 520 and \$3 million for the I-5/SR-520 interchange.

The \$1.2 billion for transit – including money for transit, vanpools, park-and-ride lots, passenger-only ferries, passenger rail, commute-trip reduction programs and other public-transportation programs – represents a first step. I fought to include this funding in the plan because our state can and should be investing more in transportation choices.

We are more than a decade behind where we need to be in terms of transportation maintenance and improvements in Washington. This is a first step - a first step that will at least start us heading in the right direction.

Unfortunately, my colleagues voted to repeal what remained of the Motor Vehicle Excise Tax (MVET), which provided funding for local transit. I had voted against the partial repeal of MVET in 1999 (I-695) and voted against its further repeal this year.

Seattle will benefit, individually, with the passage of legislation that allows Seattle voters to decide to create a transportation authority that could collect taxes and fees to expand the monorail. I was the prime sponsor of the House version of SB 6464, which Governor Locke signed on March 29.

#### **Public Vote**

The framers of our State and Federal Constitutions chose a representative form of democracy. In our system, voters elect representatives.

I believe that you elected me to make decisions on your behalf in Olympia. By sending the transportation plan to a public vote, I believe the Legislature shirked its responsibility as public servants. That said, I will go to the polls in November – as a citizen – and vote for the transportation plan because I believe it begins to address our regional and statewide transportation needs and will help sustain our region's economic viability.